

City of Toronto purchase from Toronto Housing Company of Bain Ave. Apartments & Spruce Court Apartments for conversion to non-profit social housing, 1974

City of Toronto

EXECUTIVE COMMITTEE

REPORT No. 17

FOR CONSIDERATION BY THE COUNCIL OF THE
CORPORATION OF THE CITY OF TORONTO
ON APRIL 22, 1974.



1

ACQUISITION OF BAIN AVENUE APARTMENTS.

The Toronto Executive Committee submits the report (April 11, 1974) from the Housing Work Group, viz.:

"Comments: 1. *Background* — The Toronto Housing Company was incorporated in 1912 by a group of Toronto philanthropists with the stated aim of 'better housing of working people'. The Bain Avenue Apartments are owned by that company and, with the assistance of the City over the years, the project has continued its historic purpose of providing decent low-rent housing.

"The Company's relationship with the City has been unique. The City has owned shares in the Company; Controllers and Aldermen have, pursuant to City by-laws, been members of the Company's Board of Directors and the City has guaranteed debentures of the Company. Apparently during the late '30s and early '40s the Company met financial difficulty and the City's payments on account of its guarantee of the Company's bonds totalled \$90,500.00. The Company's obligations to the City under those debentures have been retired.

"The Bain Avenue complex has built up strong loyalties among its tenants, many of whom have lived there more than ten years. The project comprises a series of attractive three storey buildings clustered around open, grassed squares. The units vary in size, and each provides a private entrance at grade and a sunporch.

"The present owners' plans are to convert the Bain Apartments into fairly high priced condominiums geared towards the market for downtown townhouses. Tenants in the project were informed on February 11, 1974, that leases would not be renewed and that their unit is to be renovated and sold at prices between \$26,500.00 and \$46,500.00. A few tenants were forced to leave upon termination of the leases at the end of March and more were given notice to leave by the end of April. These prices are far beyond the means of the majority

of Bain Avenue tenants and so their dislocation would be inevitable in the absence of some outside assistance.

"Fearing the prospect of losing their homes and their neighbourhood, tenants in the project formed the Bain Avenue Apartments Tenants' Association. They decided to seek an acquisition of the project to enable it to be operated on a non-profit basis.

"The tenants made a representation to URFHL committee which sent appropriate recommendations to City Council. At its meeting held on March 15, 1974, City Council adopted those recommendations which included the following:

- (1) that City Council endorse the concept of keeping the Bain Avenue Apartments as housing for low or moderate income persons who require assisted housing;
- (2) that the Provincial Government be informed that Council wishes the Province to help in the purchase of the Bain Avenue Apartments complex so that it remains available as assisted housing, and to that end, Council is interested in exploring possible cost-sharing programmes with the Province;
- (3) that the housing Consultant, the appropriate Development Department Officials and tenant representatives be requested to hold discussions with the Toronto Housing Company Limited with a view to delaying renovations, freezing rents and preventing evictions while negotiations with the Province are underway.

"A meeting was arranged by the tenants and the ward aldermen with officials of Ontario Housing Corporation to discuss means by which OHC might help maintain the apartments as low rental housing. As a result, Mr. B. Crowley, Deputy Director, wrote to the tenants and the Toronto Housing Company indicating that the apartments ought to remain as low and moderate income housing through a purchase by means of a CMHC financed non-profit corporation or co-operative. He stated that OHC would be interested in participating in such a proposal by subsidizing rents for a proportion of tenants meeting OHC's requirements. Mr. Crowley outlined to the tenants, the Province's new Community Sponsored Housing Programme which will provide grants of up to 10 per cent. of the capital cost of non-profit housing.

"With the support of the tenants, discussions began between City Real Estate Division officials and the Toronto Housing Company. In these discussions it became clear that if the houses were to continue to serve low and moderate income households, an agreement of purchase and sale would have to be entered into quickly. The owner was not prepared to wait for the tenants' association to incorporate an entity which could borrow funds from CMHC and was sceptical about the likelihood of CMHC advancing funds in the amount necessary for

acquisition to a tenants' group. However, the owner was prepared to await the incorporation of the City's non-profit housing corporation and the funding of the acquisition of the project by CMHC. The tenants agreed that under the circumstances the City should purchase the housing on the understanding that if in the future the tenants were to incorporate a co-operative or non-profit housing corporation, were able to obtain mortgage financing and had demonstrated the ability to successfully manage the project, the property would be made available to them at the cost to the City. The management of the project under the City non-profit corporation's ownership would involve full tenant participation to ensure that their management capability was developed as quickly as possible.

"The Executive Committee therefore instructed the Director of Real Estate to secure an option to purchase the properties. That option has been secured and is attached to the report of the Director of Real Estate.

"2. *Physical Description*—There are 260 single family dwellings in the project as follows:

| | | Cumulative |
|---------------|-----|------------|
| Five bedroom | 2% | |
| Four bedroom | 8% | 10% |
| Three bedroom | 21% | 31% |
| Two bedroom | 41% | 72% |
| One bedroom | 28% | 100% |

Average bedroom count: 2.2

"The buildings were constructed in 1914, 1915, 1923 and 1924. They are three storey structures in open square arrangements. Each unit has a private entrance at grade and is vertically separated from adjoining units by masonry bearing walls. Heat is provided by a hot water system running off boilers in a central ancillary building in which laundry facilities are also located. Electricity is supplied to each unit through 60 amp panels in the basement of its building. Some plumbing has been updated with many copper risers and galvanized waste pipes.

"The Development Department has indicated that the owners are making consistent progress in undertaking repairs required by City work orders. All the repairs of a fairly major nature, regarding improvements of a health or safety nature, have been completed. A preliminary examination by a CMHC inspector indicated the buildings are structurally sound.

"The area in which the buildings are located is zoned R.2 Z.2 permitting a density of .6.

| | |
|------------------|-----------------------------------|
| Lot area | 249,424 square feet (5.726 acres) |
| Gross floor area | 206,000 square feet |

"Its construction predating the implementation of the Zoning By-law, this project is a legal non-conforming use. New development on the site at this density could be a maximum of 149,654 square feet.

"3. *Neighbourhood Setting*—The North Riverdale neighbourhood in which the project is located is well provided with parklands and public transportation facilities. Withrow Park is situated immediately to the east of the Bain Apartments. The Gerrard and Broadview streetcars provide ready access to the subway and the downtown core. Existing school facilities would appear to be adequate as no substantial increase in population due to the project. Convenient shopping is situated along all major streets in the area, particularly Danforth Avenue.

"If displaced, the existing tenants will not likely find replacement housing within the neighbourhood. The area in which the Bain Avenue Apartments are located is North Riverdale—a neighbourhood which until recently was relatively stable, but is now changing rapidly with highly inflated house prices and a large amount of townhousing. The availability of lower cost housing in the area is drying up fast as rooming houses, flats and converted houses are changed into expensive single family dwellings.

"4. *Occupancy*—The Bain Apartments Tenants' Association in the course of its organization on the site, has conducted a thorough survey of tenants. The survey data are summarized below:

Households interviewed: 192 of possible 206 (93% sample)

Vacant apartments: (approximately) 20%

(Apartments are deliberately left vacant to facilitate conversion to condominiums)

Households with children: 41%

Average number of children per above household: 2.4

Total Gross Income per Household:

| | | Cumulative |
|-------------------------------|-----|------------|
| No answer | 4% | |
| Under \$2,500.00 | 7% | 11% |
| \$2,500.00-\$4,999.00 | 23% | 34% |
| \$5,000.00-\$7,499.00 | 26% | 60% |
| \$7,500.00-\$9,999.00 | 20% | 80% |
| \$10,000.00-\$12,499.00 | 11% | 91% |
| \$12,500.00-\$14,999.00 | 5% | 96% |
| Over \$15,000.00 | 4% | 100% |

"It appears that if the condominium development were to proceed, the displacement of present tenants would be almost total. Judging from the income levels and size of families data one would expect the assisted housing waiting list in Toronto to swell correspondingly.

"5. *Economic Feasibility*—At the price at which the project has been offered to the City, the following would be the pro forma operating statement for the project operated on a non-profit basis.

"This analysis takes into account 100 per cent financing at 8 per cent offered to non-profit housing under Section 15.1 of the National Housing Act. This financing arrangement provides a grant of 10 per cent of the capital cost of the project plus a grant, under the Residential Rehabilitation Assistance Programme, of \$2,500.00 per dwelling unit. In addition a further grant of 10 per cent of the capital cost is anticipated under the Province's Community Sponsored Housing Programme, in exchange for an agreement that 21 to 25 per cent of the units will be made available for rent supplement.

"Preliminary estimates indicate that the project can be brought up to standard, including all necessary improvements to heating, electrical and plumbing systems, for \$2,500.00 per unit. This figure is used in the analysis, although additional rehabilitation loan funds would be available if necessary.

"A. *Expenditures*

1. *Renovations*

| | |
|---|--------------|
| 260 units x \$2,500.00 | \$650,000 00 |
| less RRAP grants (260 x \$2,500.00) | 650,000 00 |

0 0

2. *Principal and Interest (8% 40 year mortgage)*

| | |
|------------------------------|----------------|
| Acquisition cost | \$6,000,000 00 |
| less CMHC 10% grant | 600,000 00 |
| less Ontario 10% grant | 600,000 00 |

| | |
|--------------------------------------|----------------|
| Mortgage value | \$4,800,000 00 |
| producing annual blended payments of | \$394,884 00 |

3. *Operating expenses*

| | |
|---------------------------------|--------------|
| Taxes (1973) | \$ 40,600 00 |
| Utilities \$12/unit/month | 37,440 00 |
| CMHC Replacement Reserves | |
| \$8.50/unit/month | 26,520 00 |
| Management and Maintenance | |
| \$8.50/unit/month | 26,520 00 |

\$131,080 00 \$131,080 00

\$525,964 00

"B. *Income:*

| | |
|---|--------------|
| Required: | \$525,964 00 |
| producing average unit/month rent | \$168.58 |

*"6. Market Comparisons**(a) Bain Avenue Apartments*

Acquisition cost of 6,000,000.00 Equals \$23,000.00 per unit

Assume land (Z.2) at \$8/sq. ft.—

2429,424 sq. ft. x \$8\$1,995,392 00

Therefore:

Buildings and land\$6,000,000 00

less — land 1,995,392 00

Buildings only

Equals \$15,402.00 per unit\$4,004,608 00

(b) To build same new (if similar site were available)

Land — \$8 x 249,424 sq. ft.\$1,995,392 00

Construction — \$24 x 206,000 sq. ft 4,944,000 00

plus 10% project contingency 693,939 00

Equals \$19,015 per unit

Land and buildings\$7,633,331 00

Equals \$29,359 00 per unit

"7. Policy Framework

- (A) The Bain Apartments situation may provide the City with an opportunity to acquire 260 units of low income housing that are in place at this time. When evaluating the Bain project against possible future developments, one must bear in mind the difficulty, the time, the shortage of suitable sites and the spiralling costs involved in developing new projects. Also it has been demonstrated that acquisition of the property at \$6 million and renovating with RRAP funds produces a unit cost nearly \$6,500.00 below the cost of building the same project new if similar land were available.

- "(B) 'Living Room' recommends 'the immediate provision of housing for moderate income families with incomes from \$7,000.00 to \$12,000.00 per year' and 'the development of a stock of non-profit rental housing, which over the long term, could provide housing to serve low income households without operating subsidies'. It set out as a target for acquisition by the City's Non Profit Housing Corporation some 300 units of existing units of housing as a cost now recommended as \$7,500,000.00.

"The Housing Work Group has recommended to Council through URHFL Committee priorities to be followed in acquiring existing housing units;

1. single family dwellings
2. Duplex, triplex
3. apartment buildings containing a mix of family units
4. larger old houses for conversion into flats
5. non-family apartment buildings.

"The acquisition of the Bain project would be consistent with these priorities. Although the emphasis on family units would not be quite as great as that recommended in that report, the Housing Work Group feels that it is more balanced by the opportunity to prevent considerable hardship to some 210 households, by the location and design features of the project, and by the opportunity to quickly acquire a substantial number of suitable units.

"(C) This project indicates that the Province's Community Sponsored Housing Programme should prove to be a most effective method of providing housing for low-income families formerly accommodated in public housing projects. As there is likely to be some difficulty in meeting the Living Room targets of new non-profit housing production in the first year of the programme, and as the production of family public housing units in Metro is likely to fall far short of the Metro target of 4,000 units, we recommend that the City's non-profit housing acquisition target be revised upward substantially. We recommend that the target be revised at this time to 600 units in 1974 and that the City apply to CMHC, on behalf of its non-profit housing corporation to be formed, for approval in principle of a loan or loans for the acquisition of a further 300 units of existing housing at a cost of \$7,500,000.00.

"Recommendations: 1. That the City enter into the agreement of purchase and sale as recommended by the Director of Real Estate in order to acquire the Bain Avenue Apartments as non-profit housing.

"2. That, pursuant to Section 15.1 of the National Housing Act, the City, on behalf of its non-profit corporation to be formed, apply to Central Mortgage and Housing Corporation for 100 per cent mortgage financing of the Bain Avenue Apartments in the amount of \$6,000,000.00 and for the 10 per cent capital forgiveness provided therein.

"3. That the City indicate its desire to accept at least 25 per cent of the units in the project under the Provincial rent supplement programme and, on behalf of its non-profit corporation to be formed, apply to the Provincial Ministry of Housing for a commitment of the Province's 10 per cent capital contribution when the necessary legislation is enacted and funds are available.

"4. That the City advise Central Mortgage and Housing Corporation that preliminary cost estimates indicate that it will need \$650,000.00 in Residential Rehabilitation Program funds for the repair and rehabilitation of the project.

"5. That the City indicate its willingness that, if in the future the residents of the project were to incorporate a co-operative or non-profit housing corporation, were able to obtain mortgage financing and had demonstrated the ability to successfully manage the project, the property would be transferred to that co-operative or non-profit housing corporation at the cost to the City.

"6. That the management of the project under the City non-profit corporation's ownership involve full tenant participation to ensure that their management capability is developed as quickly as possible.

"7. That the City non-profit housing acquisition target be revised to a total of 600 units in 1974 and accordingly, that the City apply to Central Mortgage and Housing Corporation at this time on behalf of its non-profit housing corporation to be formed for approval in principle of a loan or loans for a further 300 existing housing units at a cost of \$7,500,000.00."

The Toronto Executive Committee also submits the report (April 11, 1974) from the Director of Real Estate, City Property Department, viz.:

"Subject: City Housing Program—Living Room.

"Origin: City of Toronto Executive Committee, meeting April 5, 1974.

"Comments: Properties: Bain Avenue Apartments, known as No. 100 Bain Avenue; Premises Nos. 78, 80, 82 and 84 Bain Avenue.

Owner: Toronto Housing Company Limited.

Solicitor: Mr. R. R. Elliott of Thomson, Rogers, Barristers and Solicitors, 390 Bay Street, Toronto, Ontario. M5H 1W2. Telephone: 868-3100.

Property Description: The land involved, being irregular in shape, has a frontage on the north side of Bain Avenue of 759.55 feet and on the south side of Bain Avenue of 753.25 feet, a total street frontage of 1,512.8 feet, containing an aggregate area of 249,424 square feet. All measurements being more or less. Situate on this site are 24 apartment buildings in the form of stacked town housing plus 2 pair of semi-detached houses having a total of 260 dwelling units comprised of 71 one-bedroom apartments, 105 two-bedroom apartments, 53 three-bedroom apartments, 22 four bedroom apartments, 5 five-bedroom apartments and 4 houses. All properties are in fair to good condition.

Original Purchase and Mortgage Data: This owner acquired several parcels of land at various locations throughout Metropolitan Toronto, including the subject site, several years ago and financing was arranged through one mortgage covering all of its acquisitions.

Assessments: (1974)

| | |
|---|-------------|
| 1 — 78 Bain Avenue | \$ 3,297 00 |
| 2 — 80 Bain Avenue | 3,308 00 |
| 3 — 82 Bain Avenue | 3,289 00 |
| 4 — 84 Bain Avenue | 3,305 00 |
| 5 — N/S Bain Avenue | 401,250 00 |
| 6 — S/S Sparkhall Avenue..... | 343 00 |
| 7 — S/S Bain Avenue | 323,450 00 |
| 8 — S/S Bain Avenue (vacant land) | 1,520 00 |

| | |
|------------------------|--------------|
| Total Assessment | \$739,762 00 |
|------------------------|--------------|

Tax Ledger Nos.:

- 1 — 07-5-130-0390
- 2 — 07-5-130-0380
- 3 — 07-5-130-0370
- 4 — 07-5-130-0360
- 5 — 07-5-130-0350
- 6 — 07-5-130-0340
- 7 — 07-5-100-0360
- 8 — 07-5-100-0350

Recommended Purchase Price: \$6,000,000.00 for entire holdings at this location.

"The City of Toronto Executive Committee, at a meeting held on April 5, 1974, discussed the proposed acquisition of the subject site in connection with the City Housing Program. As a result of this meeting I was authorized to enter into negotiations with the owner of the property.

"Following agreement with respect to price, discussions were held with the owner, the owner's solicitor, the City Legal Department and members of this Division with respect to terms and conditions under which the transaction is to be completed.

"I am now in receipt of an Agreement of Purchase and Sale from this owner, in a form approved by the City Solicitor, in which the owner agrees to convey to the City the above-described site subject to the following conditions:

'The Purchaser agrees to accept any lease or tenancy to which the real property may at the date hereof be subject or to which it may be subject at the closing date provided any additional leases are in accordance with the provisions of Paragraph 7 of Schedule "B" annexed hereto. The Vendor agrees to deliver on closing copies of all written leases and acknowledgements of tenancy of which it may be possessed together with an assignment thereof to the Purchaser or to such body corporate or other entity that the Purchaser in writing directs. The Purchaser shall be entitled to examine all leases and any acknowledgments of tenancy that may exist at the date hereof provided same is upon reasonable notice to the Vendor, is at the Vendor's offices and is completed within thirty days from the acceptance of the within offer.

'Any storm or screen sash, or doors, water tanks and water heaters, central heating plan and appliances, electrical fixtures, stoves or refrigerators, presently on the real property shall be included in this transaction.

'It is a condition of closing this transaction that the conditions enumerated in Schedule 'B' have been satisfied.

'Schedule "B"

1. The Purchaser obtaining any required ministerial approval under the Housing Development Act, or other statute that may be applicable to the purchase, or any necessary approval under the Ontario Municipal Board Act.
2. Receipt by the Purchaser of the appropriate approval from the Province of Ontario to incorporate a non-profit corporation within the meaning of Section 15-1 of The National Housing Act; and the consent of the Vendor to the Purchaser assigning this agreement to the said non-profit corporation.

3. Receipt by the Purchaser or the non-profit corporation from Central Mortgage and Housing Corporation or other sources of all the closing funds.
4. Completion at the Vendor's expense of the sand blasting contract.
5. Completion at the Vendor's expense of the two units which are in the course of reconstruction to a standard comparable to the model suites.
6. Balance of subject property to be accepted in its existing physical state condition.
7. The right in the Vendor to lease, if it so decides, on a monthly basis any vacant suites provided that all such leases be to tenants in an income bracket not exceeding \$12,000.00 per year.'

"This offer is irrevocable by the Vendor up to and including 11:55 p.m. on the 1st day of May, 1974 and the transaction is to be completed on the 3rd day of September, 1974 as at which date possession will be granted to the City subject to the existing tenancies.

"Conclusion: I am of the opinion that the purchase price and the terms and conditions are reasonable.

"Recommendations: (1) That this offer be accepted and that upon conditions Nos. 1, 2 and 3 as contained in Schedule 'B' being satisfied the City Solicitor be instructed to complete this transaction as set out above and pay to Toronto Housing Company Limited, or to whomever may be found entitled to receive it, the sum of \$6,000,000.00 as payment in full for a conveyance of the above-described property, free from encumbrance, except as to the existing tenancies as at the date of closing and pay expenses incurred by the City incidental to the closing for Land Transfer Tax or otherwise.

"(2) That the Commissioner of Public Works furnish the necessary description.

"(3) That the property be placed under the jurisdiction of the Commissioner of City Property."

The Toronto Executive Committee recommends that the report of the Director of Real Estate be adopted.

The Toronto Executive Committee also recommends that recommendations 2 to 7 in the report of the Housing Work Group be adopted and that the City enter into the Agreement of Purchase and Sale as recommended by the Director of Real Estate in order to acquire the Bain Avenue Apartments as housing for low and moderate income households who would require assisted housing.

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ACQUISITION OF SPRUCE COURT APARTMENTS

The Toronto Executive Committee submits the report (April 16, 1974) from the Housing Work Group, viz.:

"Comments: 1. *Background* — The following report on the Spruce Court apartments is necessarily brief because of time constraints imposed by the owners. Similar information as provided in the Bain Avenue report could not be collected in the time available.

"The Spruce Court apartment complex, located at the north-east corner of Spruce and Sumach Streets, is a smaller version of the Bain Avenue apartments. The two projects were developed by the original Toronto Housing Company and have the same histories of City involvement. (See April 11, 1974 Housing Work Group report on Bain Avenue Apartments.)

"The owners of Spruce Court have apparently decided to undertake a complete remodelling job in order to appeal to the expanding upper income downtown rental market. After renovation, rents would be about \$240.00 per month for a one-bedroom and as high as \$375.00 per month for a three-bedroom unit. Existing rents range from about \$140.00 to \$225.00 per month.

"Current leases are not being renewed but as they expire, the present tenants are being allowed to remain on a month-to-month basis until full renovation work is underway. Thereafter, tenants will be required to pay the new prices or relocate.

"Although the precise incomes of existing tenants have not been determined, the Spruce Court apartments are known to provide good accommodation at relatively low rents. Certainly, most tenants will not be able to afford the new rents. Moreover, the Don Vale neighbourhood, in which the apartment complex is located, is one of the most rapidly escalating housing cost areas in the City. Over the past few years, Don Vale has experienced a dramatic amount of 'townhousing' and a concurrent depletion of accommodation for lower income people. The only attempt to somewhat counter this trend was the recent D.A.C.H.I. proposal but because of the predominance of private market development and renovations, there is a constant net loss of lower priced housing in the area. It is most unlikely that many existing Spruce Court tenants would be able to find comparable housing in Don Vale.

"2. *Physical Description*— There are 78 single family dwelling in the project as follows:

| | Number | Per cent | Cumulative per cent |
|-----------------------------|--------|----------|------------------------|
| One bedroom | 32 | 41% | 41% |
| Two bedroom | 35 | 45% | 86% |
| Three bedroom | 5 | 6% | 92% |
| Three bedroom townhouses... | 6 | 8% | 100% |
| <hr/> | | | |
| Total | 78 | | |
| Average bedroom count: 1.7 | | | |

'As mentioned previously the project is similar in design and construction to the Bain Avenue apartments; that is, three storey masonry structures with private entrances to each unit. The buildings were constructed in 1913 and are in fairly good condition although generally more in need of repair than the Bain Avenue project.

"3. *Area Description* — The Spruce Court Apartments are located in an attractive and rapidly changing neighbourhood. The apartments are well served by parks, with Riverdale Park immediately to the east and Wellesley Park to the north. Public transportation is readily available, with the Carlton streetcar and Parliament Street bus providing access to the downtown core and the subway.

"The Don Vale neighbourhood has been undergoing a steady decline in population and an associated drop in school enrolments. No strain on school capacities is thus envisaged.

"4. *Economic Feasibility* — At the price at which the project has been offered to the City, the following is a pro forma operating statement for the project operated as a non-profit venture:

"A. *Assumptions*—

1. Section 15.1 100 per cent National Housing Act mortgage at 8 per cent.
2. 10 per cent Central Mortgage and Housing Corporation capital grant
3. \$2,500.00 per unit grant under Residential Rehabilitation Assistance Program
4. 10 per cent. Provincial grant under Community Sponsored Housing
5. Cost of repairs—\$4,000.00 per unit bringing units up to standard including all necessary improvement to heating, electrical and plumbing.

"B. *Project Cost*

| | |
|---|---------------|
| 1. Renovations | |
| 78 units @ \$4,000.00 per unit | \$ 312,000 00 |
| Less RRAP (78 units x \$2,500.00) | 195,000 00 |
| <hr/> | |
| Net renovation cost | \$ 117,000 00 |

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|-------------------------------|---------------------------------------|----------------|
| 2. | Acquisition cost | 1,600,000 00 |
| 3. | Total project cost | 1,717,000 00 |
| | Less 10% CMHC | 171,700 00 |
| | Less 10% OHC | 171,700 00 |
| | Total net cost | \$1,363,600 00 |
| <i>"C. Operating Expenses</i> | | |
| | Annual mortgage costs (\$1,363,600.00 | |
| | @ 8% over 40 years) | \$114,000 00 |
| | Taxes (1973) | 20,500 00 |
| | Utilities | 11,300 00 |
| | CMHC replacement reserves | |
| | (\$8.50 per unit/month) | 8,000 00 |
| | management and maintenance | |
| | (\$8.50 per unit/month) | 8,000 00 |
| | Total expenses | \$161,800 00 |
| "D. | Income Total amount required | \$161,800 00 |
| | 1 bedroom @ \$155.00/month, 32 units | |
| | 2 bedroom @ \$175.00/month, 35 units | |
| | 3 bedroom @ \$200.00/month, 5 units | |
| | House @ \$250.00 per month, 6 units | |
| | monthly income | \$13,585 00 |
| | Annual income | 163,020 00 |
| | Annual operating surplus | \$ 1,220 00 |

"5 Comparison with Other Projects

(a) *Bain Avenue* — Although the estimated average acquisition cost unit of Spruce Court is lower than Bain, the renovation costs per unit are expected to be higher (\$4,000.0 vs. \$2,500.00 per unit). In addition, Bain consists of more large units. Therefore, it is suggested that economically, the Bain and Spruce Court projects represent about equal opportunities to the City.

(b) *'D.A.C.H.I.* The proposed non-profit rents for Spruce Court would be about the same as those estimated for the D.A.C.H.I. project. As compared to D.A.C.H.I., however, Spruce Court will not add any population to the area nor would any units be converted. It is expected that the occupancy of Spruce Court would remain about the same as at present.

"6. Summary Analysis — The Spruce Court apartments would provide the City with an opportunity to acquire 78 units of in place lower income housing. Its acquisition would be consistent with City housing policy by bringing in apartment units at relatively low rents. It is esti-

mated that to build a new project similar to Spruce Court, if land were available, the cost per unit would be about \$26,000.00. The estimated acquisition cost including renovation of Spruce Court is \$22,000.00 per unit.

"Recommendations: 1. That the City enter into the agreement of purchase and sale as recommended by the Director of Real Estate in order to acquire the Spruce Court apartments as non-profit housing.

"2. That, pursuant to Section 15.1 of the National Housing Act, the City, on behalf of its non-profit corporation to be formed, apply to Central Mortgage and Housing Corporation for 100 per cent mortgage financing of the Spruce Court apartments in the amount of \$1,600,000.00 and for the 10 per cent. capital forgiveness provided therein.

"3. That the City indicate its desire to accept at least 25 per cent of the units in the project under the Provincial rent supplement program and, on behalf of its non-profit corporation to be formed, apply to the Provincial Ministry of Housing for a commitment of the Province's 10 per cent capital contribution when the necessary legislation is enacted and funds are available.

"4. That the City advise Central Mortgage and Housing Corporation that preliminary cost estimates indicate that it will need \$312,000.00 for the repair of the project, of which \$195,000.00 will be grants and \$117,000.00 repayable loans.

"5. That the management of the project under the City non-profit corporation's ownership involve full tenant participation."

The Toronto Executive Committee also submits the report (April 17, 1974) from the Director of Real Estate, City Property Department, viz.:

"Subject: City Housing Program — Living Room.

"Origin: City of Toronto Executive Committee meeting held April 5, 1974.

"Comments: Properties: Spruce Court Apartments, known as No. 78½ Spruce Street and 330 Sumach Street.

Owners: Panlimar Investments and Enterprises Limited, and Felicher Equities Limited, c/o Commerce Court West, Suite 3310, Box 243, Toronto. M5L 1E8.

Property Description: The land involved has a frontage on the west side of Sumach Street of 206.75 feet, on the north side of Spruce Street of 272.5 and on the south side of Gildersleeve Place of 272 feet, containing an area of 56,276.25 square feet. All measurements being more or less. Situate on this site is a self-contained complex consisting of 11 low-rise structures being composed of 5 apartment buildings, in the form of stacked town houses, and 6 town houses having a total of 78 dwelling units comprised of 32 one-bedroom apartments, 35 two-bedroom apartments, 5 three-bedroom apartments and 6 houses. All properties are in poor to fair condition.

Original Purchase and Mortgage Data: \$236,355.97—Sept. 1971. Outstanding First Mortgage of approximately \$560,000.00.

Assessments: 1974.

| | |
|---|-------------|
| 1 — 78½ Spruce Street (assessed as No. 74 Spruce) | \$98,500 00 |
| 2 — 330 Sumach Street (assessed as No. 86 Spruce) | 99,800 00 |

| | |
|----------------------------------|---------------|
| Total Assessment | \$ 198,300 00 |
| Tax Ledger Nos. 1 — 7-4-140-0230 | |
| 2 — 7-4-140-0220 | |

Recommended Purchase Price: \$1,600,000.00.

"The City of Toronto Executive Committee, at its meeting held on April 5, 1974, discussed the proposed acquisition of the subject site in connection with the City Housing Program. As a result of this meeting I was authorized to enter into negotiations with the owner of the property.

"I am now in receipt of an Offer to Sell from these owners in which the owners agree to convey to the City the above-described site subject to the following covenants and conditions:

"1. Purchase price of \$1,600,000.00, less the sum of \$2.00 previously submitted as a deposit, is due and payable on the date of closing by certified cheque, subject to the usual adjustments.

"2. The purchaser covenants, promises and agrees to assume an existing first mortgage of about \$60,000.00 with the Hamilton Trust Company, bearing interest at 9½ per cent per annum, repayable on a

25 year amortization plan including both principal and interest and maturing in April, 1977.

"3. The purchaser shall assume any encroachments indicated on the survey attached to the Offer to Sell.

"4. The purchaser agrees to assume all existing work orders presently outstanding against the said premises and to save the vendors harmless from any liabilities, and the purchaser agrees to accept the said lands and premises in their existing physical state and condition. In the event the vendor is required to perform any of the work orders, the costs incurred in connection therewith shall be added to the purchase price, provided that such work orders are required to be done between April 8, 1974 and the date of closing.

"5. The purchase price to include all storms, stoves, electrical refrigerators, furnishings and fixtures all presently on the premises, provided the same belong to the vendors.

"6. Conveyance of the said lands and premises is to be subject to the existing tenancies which the purchaser agreed to assume at the time of closing, subject to any variations in the tenancies.

"7. The acceptance by the Purchaser of the within Offer to Sell is subject to obtaining any ministerial approval under the Housing Development Act, any other statute that is applicable to the purchaser, and any necessary approval under the Ontario Municipal Board Act.

"8. Receipt by the Purchaser of the approval from the Province of Ontario to incorporate a non-profit corporation within the meaning of Section 15-1 of The National Housing Act and the consent of the Vendor to the Purchaser assigning this Offer to the said non-profit corporation.

"9. Receipt by the Purchaser or the non-profit corporation from Central Mortgage and Housing Corporation or other source of all the closing funds.

"This offer is irrevocable by the Vendor up to and including April 24 1974 otherwise void, and sale to be completed on or before the 31st day of May, 1974 as at which date possession will be granted to the City subject to the existing tenancies.

"Conclusion: I am of the opinion that the purchase price is reasonable.

"Recommendations: That in the event your Committee is prepared to accept a conveyance of the above land and premises subject to the conditions outlined above, I recommend:

"1. That upon conditions number 7, 8 and 9 above being satisfied the City Solicitor be instructed to complete this transaction as set out above, and pay to Pamlimar Investments and Enterprises Limited and Felicher Equities Limited, or to whomever may be found entitled to receive it, the sum of \$1,600,000.00 subject to adjustments, less the sum of \$2.00 previously paid and submitted as a deposit, as payment in full

for a conveyance of the above-described property, subject to the existing tenancies as at the date of closing and pay any expenses incurred by the City incidental to the closing for Land Transfer Tax or otherwise.

"2. That the Commissioner of Public Works furnish the necessary description.

"3. That the property be placed under the jurisdiction of the Commissioner of City Property."

The Toronto Executive Committee recommends that the report of the Director of Real Estate be adopted.

The Toronto Executive Committee also recommends that recommendations 2 to 5 in the report of the Housing Work Group be adopted and that the City enter into the Agreement of Purchase and Sale as recommended by the Director of Real Estate in order to acquire the Spruce Court Apartments as housing for low and moderate income households who would require assisted housing.

The Toronto Executive Committee advises that the terms upon which the present first mortgage can be discharged will be the subject of a further report to Council.

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ST. MICHAEL'S HOSPITAL HOLDINGS IN THE MARKET BLOCK.

The Toronto Executive Committee submits the communication (March 19, 1974) from Messrs. Hughes, Amys, Barristers and Solicitors, viz.:

"Pursuant to the terms of an agreement made between The Sisters of St. Joseph for the Diocese of Toronto in Upper Canada and The Corporation of the City of Toronto, 31st day of August, 1971, we enclose Agreement of Purchase and Sale made between The Sisters of St. Joseph and Home Smith Properties Limited in respect to the sale of the Market Block property.

"The Offer to Purchase is a bona fide offer for the purchase of the lands and the willingness of The Sisters of St. Joseph to accept the Offer to Purchase is evidenced by the actual acceptance of the Offer to Purchase subject to the right of the City of Toronto to match the Offer to Purchase.

"For your assistance, we are enclosing a copy of the Agreement of the 31st day of August, 1971, made between The Sisters and the City, which the City registered on the title to the lands.

"The property was purchased from the City as a site for a New St. Michael's Hospital. The purchase was made with the approval of the Ministry of Health.

"Subsequent to the purchase of the property, it became apparent that the Ministry of Health would not be in a position to finance the construction of a complete New Hospital in one stage and still meet the construction requirements of other Hospitals.

"In September of 1973, the Province transferred the responsibility for nursing education, in the diploma programme, from the Ministry of Health to the Ministry of Universities and Community Colleges. As a result of this action by the Province, it will no longer be necessary for St. Michael's Hospital to retain the building formerly occupied by St. Michael's Hospital School of Nursing. This will enable the New St. Michael's Hospital to be constructed on the present site in stages in accordance with financial constraints.

"As result of these developments, it was decided that the Market Square site should be sold as it would be in the best interest of the Hospital as well as meeting the wishes of the City of Toronto for an early development of the site."

THIS AGREEMENT made in duplicate the 31st day of August, 1971.

BETWEEN :

THE SISTERS OF ST. JOSEPH FOR THE
DIOCESE OF TORONTO IN UPPER CANADA,
hereinafter called the "Sisters"

OF THE FIRST PART

AND

THE CORPORATION OF THE CITY OF
TORONTO,
hereinafter call the "City"

OF THE SECOND PART

WHEREAS by Agreement of Purchase and Sale dated 21 April, 1971, the City agreed to sell to the Sisters the lands and premises being part of the Market Block in the City of Toronto in The Municipality of Metropolitan Toronto and more particularly described in Schedule "A" hereunto annexed,

AND WHEREAS it was a term of the before in part mentioned Agreement of Purchase and Sale, dated 21 April, 1971, that the City would be given a right of first refusal to purchase or to lease the said lands.

AND WHEREAS the Sisters have agreed to execute these presents to secure the aforesaid right of the City,

NOW THIS INDENTURE WITNESSETH that in consideration of the premises, the Sisters hereby covenant and agree with the City as follows:

1. In the event the Sisters decide to sell the lands, it will give to the City thirty (30) days written notice within which to match any bona fide offer for the purchase of the lands, which it is prepared to accept,

such notice shall be given by mailing to the City Clerk by registered mail, together with a copy of the said Offer to Purchase. If within the said period, the City does not deliver to the Sisters, by registered mail addressed to the Sisters at 30 Bond Street, Toronto, an offer to purchase in writing containing the same, or better, terms and conditions, the Sisters shall be free to accept the first mentioned offer to purchase and all rights of the City herein shall be extinguished.

2. In the event that the Sisters decide to lease the said lands, it will give to the City thirty (30) days written notice within which to match any bona fide offer to lease the said lands, which it is prepared to accept, such notice shall be given by mailing to the City Clerk by registered mail, together with a copy of the said offer to lease. If within the said period, the City does not deliver to the Sisters, by registered mail addressed to the Sisters at 30 Bond Street, Toronto, an offer to lease in writing containing the same, or better, terms and conditions, the Sisters shall be free to accept the first mentioned offer to lease.

3. If on the expiry or sooner determination of any lease made to any person pursuant to paragraph 2 herein the Sisters decide to lease the lands again it will give to the City the same right to lease the said lands as set out in paragraph 2 herein and will continue to give the City such right to lease on the expiry or sooner determination of any lease of the said lands.

IN WITNESS WHEREOF The Sisters of St. Joseph for the Diocese of Toronto in Upper Canada has hereunto affixed its corporate seal under the hands of its proper officers on that behalf.

THE SISTERS OF ST. JOSEPH FOR THE
DIOCESE OF TORONTO IN UPPER CANADA

Per: Sister Mary Francis, Councillor
Sister Rose Marie, Secretary General.

Schedule "A"

ALL AND SINGULAR that certain parcel or tract of land and premises situate, lying and being in the City of Toronto, in the Municipality of Metropolitan Toronto, formerly in the County of York, and Province of Ontario, being composed of lots 1, 2, 3, 4, 5 and 6 on the east side of Church Street; lots 1, 2, 3, 4, 5, 6, 7 and 8 on the north side of Colborne Street; lots 1, 2, 3, 4, 5 and 6 on the west side of Market Street; lots 9, 10, 11, 12, 13, 14, 15 and 16 on the south side of Colborne Street; parts of lots A, B, C, D, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11

and 12 on the north side of Front Street East; part of the lane lying to the east of the easterly limit of lot 1, on the east side of Church Street, closed by City of Toronto By-law 145-71 and described "Firstly" therein; part of the lane lying to the west of the westerly limit of lot 6 on the west side of Market Street closed by City of Toronto By-law 145-71 and described "Secondly" therein, part of Colborne Street closed by City of Toronto By-law 20044 and described "Firstly" therein; part of the lane lying to the east of the easterly limits of lots 1, 2 and 3 on the east side of Church Street; the lane lying to the east of the easterly limits of lots 4, 5 and 6 on the east side of Church Street; part of the lane lying to the west of the westerly limits of lots 4, 5 and 6 on the west side of Market Street; the lane lying to the west of the westerly limits of lots 1, 2 and 3 on the west side of Market Street; the lane lying to the north of the northerly limits of lots A to D inclusive and lots 1 to 12 inclusive; the said lanes being closed by City of Toronto By-law 20044 and described "Secondly" therein; all the said lots, Colborne Street and lanes being in the Market Block according to the plan of the Market Block filed in the Registry Office for the Registry Division of Toronto; the said By-laws 145-71 and 20044 being registered in the said Registry Office for Toronto as Instruments 69496 E.S. and 45176 E.S., respectively; the said parcel of land being designated as PARTS 1, 2, 3, 4 and 5 on a plan of survey deposited in the said Registry Office for Toronto as 63R-301, and 63R-320.

SUBJECT to an easement or rights in the nature of an easement in favour of the Bell Telephone Company of Canada its successors and assigns for its public utilities in, over, along and upon the hereinbefore mentioned PART 4 together with permission at all times for the Bell Telephone Company of Canada, its agents, servants, employees, workmen and assigns, to enter upon the hereinbefore mentioned PART 4 for the purpose of repairing, replacing and maintaining the said public utilities.

TO: THE SISTERS OF ST. JOSEPH FOR THE DIOCESE OF TORONTO IN UPPER CANADA, hereinafter called the "Vendor"

HOME SMITH PROPERTIES LIMITED, hereinafter called the "Purchaser", hereby offers to purchase from the Vendor all and singular the lands and premises described in Schedule "A" hereunto annexed, and outlined in red on the sketch of survey hereunto annexed as Schedule "B", subject to the conditions hereinafter set out, at a purchase price of Seven Million Dollars (\$7,000,000.00) payable as follows: \$10,000.00 as a deposit, herewith, to be held by the Vendor pending completion or other termination of this agreement and to be credited on account of the purchase money payable on completion, a further

sum of \$1,390,000.00 by certified cheque on the date hereinafter fixed for completion, subject to the adjustments hereinafter mentioned, and the balance of the purchase price \$5,600,000.00 by a first Mortgage on the said lands.

The said first Mortgage shall be in the amount of \$5,600,000.00 and shall bear interest at the rate of 8 per cent. per annum. The said principal sum shall be payable by three consecutive annual instalments of \$1,400,000.00 each on the 24th day of June in each of the years 1975, 1976, 1977 and the balance of the said principal sum shall be due and payable on the 24th day of June, 1978.

Interest at the aforesaid rate, calculated annually, not in advance, as well after as before maturity and both before and after default on such portion of the said principal sum as remains from time to time unpaid shall become due and payable on the same dates as provided herein for payment of principal. The first payment of interest shall be computed from the 24th day of June, 1974, upon the whole amount of the said principal sum.

The mortgage shall contain the following provisions:

1. The Mortgagor, if not in default, shall be entitled to pay all or any part of the principal sum outstanding from time to time at any time without notice or bonus in multiples of \$10,000.00 plus accrued interest computed upon the amount of such prepayment.
2. The Mortgagee agrees to execute, from time to time, at the request of the Mortgagor such consents and other related documents as the Mortgagor deems necessary and expedient to enable the Mortgagor to make applications to rezone the said lands, to obtain site plan approval for the Mortgagor's proposed scheme of development of the said lands and to enable the Mortgagor to register a plan or plans of subdivision of the said lands, provided that such proposed rezoning, site plans, plan or plans of subdivision do not in the opinion of the Mortgagee adversely affect the security of this Mortgage, and provided further that any such consent or document does not impose any financial burden or obligation upon the Mortgagee nor has the affect of giving any person or corporation a charge, encumbrance or lien on the land in priority to the Mortgagee's Mortgage, and provided further that the Mortgagee shall not be required to undertake or assume any financial or other obligation under any document required to be executed by it, hereunder, and provided further that the Mortgagor shall indemnify and hold the Mortgagee harmless therefrom and pay all costs and expenses incurred by the Mortgagee, including legal costs, in respect of all things to be done by it, hereunder, at the request of the Mortgagor.

The Purchaser acknowledges that all chattels, fixtures and structures now standing or placed on the said lands are not the property

of the Vendor but are the property of The Parking Authority of Toronto which has the right to remove the same.

The Purchaser hereby acknowledges that the parking station operated on the said land is operated, managed and maintained by The Parking Authority of Toronto under an agreement with the Vendor which is terminable by either party on notice of one calendar month. Under the provisions of the agreement, The Parking Authority of Toronto is entitled to a monthly management fee equal to five per cent. (5%) of the gross revenue derived from the said parking station and reimbursement for all expenses directly attributable to the operation and maintenance of the said parking station.

Provided the title is good and free except as to an existing easement in favour of The Bell Telephone Company of Canada, registered as Instrument No. 47427 E.S. and except as to the aforesaid management agreement with The Parking Authority of Toronto.

The Purchaser is not to call for the production of any title deeds, abstracts, survey or other evidence of title except such as are in the possession of the Vendor.

The Purchaser is to be allowed seventy (70) days from the date of acceptance of this Offer by the Vendor to examine the title of the Vendor at its own expense. Should any objection to title be made in writing to the Vendor within such time limit, the Vendor shall have a reasonable time to rectify it; if the Vendor is unable or unwilling to rectify it, and the Purchaser will not waive it, this agreement shall be null and void and the deposit be returned by the Vendor forthwith without interest, and the Vendor shall not be liable for any costs or damages. Should no sufficient objection be made within the said time limit, the title of the Vendor shall be deemed to be accepted.

This transaction of purchase and sale is to be completed on or before the 24th day of June, 1974, on which date possession of the said real property is to be given to the Purchaser subject to the parking station management agreement with The Parking Authority of Toronto.

Taxes, local improvement rates and net revenue derived from the said parking station shall be apportioned and allowed to the date fixed herein for completion.

This offer, when accepted, shall constitute a binding contract of purchase and sale, save as hereinafter provided, and time shall in all respects be of the essence hereof.

It is agreed that there is no representation, warranty, collateral agreement of condition affecting this agreement or the real property or supported hereby other than as expressed herein in writing.

All structures and improvements upon the real property shall be and remain at the risk of the Vendor until completion.

Deed is to be prepared at the expense of the Vendor and registered at the expense of the Purchaser and the Mortgage shall be prepared by the Purchaser at its expense and registered at the expense of the Vendor.

Any tender of documents or money, hereunder, may be made upon the Vendor or the Purchaser or any party acting for them and money may be tendered by certified cheque.

The Purchaser hereby acknowledges that the Vendor is required to give to The Corporation of the City of Toronto, hereinafter called the "City", thirty (30) days written notice within which to match this offer to purchase and that the acceptance of this offer to purchase by the Vendor shall be conditional for a period of forty (40) days from the date of acceptance to enable the Vendor to give notice of this offer to the City by registered mail, to receive a reply thereto from the City by registered mail and to communicate to the Purchaser the reply of the City. In the event that the City does exercise its right to match this offer, this offer shall be null and void and the deposit monies shall be returned to the Purchaser forthwith without interest and the Vendor shall not be liable for any costs or damages.

The Vendor shall be responsible for payment to J. V. Franciotti Realty Limited, on completion of the transaction of purchase and sale, a commission equal to 3 per cent. of the purchase price in full payment of its services in procuring this offer to purchase.

This offer shall be irrevocable by the Purchaser until one minute before midnight the 20th day of March, 1974, after which time, if not accepted, this offer shall be null and void and the deposit returned to the Purchaser forthwith without interest.

DATED at Toronto this 15th day of March, 1974.

HOME SMITH PROPERTIES LIMITED

Per:

Vice-President.

Secretary.

IN CONSIDERATION OF the Vendor accepting the above Offer to Purchase, and as an inducement to the Vendor to accept this Offer to Purchase, GREAT NORTHERN CAPITAL CORPORATION LIMITED, hereinafter called the "Guarantor", hereby on behalf of itself, its successors and assigns covenants and agrees with the Vendor as follows:

1. The Guarantor does hereby absolutely and unconditionally guarantee the observance, performance, payments, covenants, agreements, matters or things required to be paid, done, observed or performed by the Purchaser under the above Offer to Purchase including the due and punctual payment by the Purchaser of all monies required to be

paid by the Purchaser under the said Offer to Purchase on the days and times and in the manner therein provided and that if at any time the Purchaser makes default in the punctual payment of any of the said monies the Guarantor shall pay all such monies to the Vendor without demand requiring to be made.

2. The liability of the Guarantor to the Vendor, hereunder, shall be deemed to be primary and shall not be released by time being given to the Purchaser or by any variation in or departure from the provisions of the said Offer to Purchase or by any release of the Purchaser or any other thing whatsoever and the Vendor may vary any agreement or arrangement with the Purchaser without any consent on the part of the Guarantor.

3. The Vendor shall not be bound to exhaust its recourse against the Purchaser or against the lands before being entitled to performance of the obligations guaranteed by the Guarantor, hereunder, including payments required to be made.

4. The Guarantor shall not be entitled by reason of making any payment, to rank against the aforesaid lands in competition with the Vendor and shall not until the whole of the monies payable under the said Offer to Purchase have been paid, be entitled to any rights or remedies whatsoever in subrogation to the Vendor.

5. The Guarantor shall be a party to the Mortgage required to be given by the Purchaser to the Vendor under the said Offer to Purchase and the provisions of this guarantee shall be incorporated in the said Mortgage.

DATED at Toronto this 15th day of March, 1974.

GREAT NORTHERN CAPITAL CORPORATION
LIMITED

Per:

Secretary.

The undersigned accepts the within Offer.

DATED at Toronto this 18th day of March, 1974.

THE SISTERS OF ST. JOSEPH FOR THE
DIOCESE OF TORONTO IN UPPER CANADA

Per: Mother M. Corinne, Mother General
Sister Rose Marie, Secretary General.

Schedule "A"

ALL AND SINGULAR that certain parcel or tract of land and premises situate, lying and being in the City of Toronto, in the Municipi-

pality of Metropolitan Toronto, formerly in the County of York, and Province of Ontario, being composed of lots 1, 2, 3, 4, 5 and 6 on the east side of Church Street; lots 1, 2, 3, 4, 5, 6, 7 and 8 on the north side of Colborne Street; lots 1, 2, 3, 4, 5 and 6 on the west side of Market Street; lots 9, 10, 11, 12, 13, 14, 15 and 16 on the south side of Colborne Street; parts of lots A, B, C, D, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12 on the north side of Front Street East; part of the lane lying to the east of the easterly limit of lot 1, on the east side of Church Street, closed by City of Toronto By-law 145-71 and described "Firstly" therein; part of the lane lying to the west of the westerly limit of lot 6 on the west side of Market Street closed by City of Toronto By-law 145-71 and described "Secondly" therein, part of Colborne Street closed by City of Toronto By-law 20044 and described "Firstly" therein; part of the lane lying to the east of the easterly limits of lots 1, 2 and 3 on the east side of Church Street; the lane lying to the east of the easterly limit of lots 4, 5 and 6 on the east side of Church Street; part of the lane lying to the west of the westerly limits of lots 4, 5 and 6 on the west side of Market Street; the lane lying to the west of the westerly limits of lots 1, 2 and 3 on the west side of Market Street; the lane lying to the north of the northerly limits of lots A to D inclusive and lots 1 to 12 inclusive; the said lanes being closed by City of Toronto By-law 20044 and described "Secondly" therein; all the said lots, Colborne Street and lanes being in the Market Block according to the plan of the Market Block filed in the Registry Office for the Registry Division of Toronto; the said By-laws 145-71 and 20044 being registered in the said Registry Office for Toronto as Instruments 69496 E.S. and 45176 E.S., respectively; the said parcel of land being designated as PARTS 1, 2, 3, 4 and 5 on a plan of survey deposited in the said Registry Office for Toronto as 63R-301, and 63R-320.

SUBJECT to an easement or rights in the nature of an easement in favour of the Bell Telephone Company of Canada its successors and assigns for its public utilities in, over, along and upon the hereinbefore mentioned PART 4 together with permission at all times for the Bell Telephone Company of Canada, its agents, servants, employees, workmen and assigns, to enter upon the hereinbefore mentioned PART 4 for the purpose of repairing, replacing and maintaining the said public utilities.

The Toronto Executive Committee also submits the report (April 19, 1974) from the Commissioner of Finance, viz.:

"You have requested me to report upon the availability of City funds for the acquisition of the St. Michael's Hospital holding in the Church-Front Streets area.

"In reply, I would advise that were the acquisition to be for a purpose (e.g. parks) in which the senior levels of government would

not financially participate my response is definitely negative as to availability. On the other hand, presuming the use to be for a cost-sharing purpose and further presuming that capital funds earmarked for land-banking could be utilized, I might have been able to indicate availability of money for the City's share. This, however, in my opinion, still represents a nullity for practical purposes inasmuch as the time provided to the City by St. Michael's Hospital for response made it impossible to formulate plans that would be satisfactory to the senior levels of government and arrange for their participation.

"As you are aware, the City's Capital Budget contains no contingency provision."

The Toronto Executive Committee also submits the report (April 19, 1974) from the Director of Real Estate, City Property Department, viz.:

"Comments: His Worship the Mayor has requested that I comment on the proposed sale of the Market Block site for the sum of \$7,000,000.00.

"In my opinion this amount is fair and reasonable.

"I have also been requested by His Worship the Mayor to advise if there are other sites that could be acquired in the immediate area for a more reasonable figure. In this regard I am of the opinion that much cheaper land could be acquired in the area east of Jarvis Street."

The Toronto Executive Committee also submits the report (April 18, 1974) from Mr. Michael Dennis, the City's Housing Consultant, viz.:

"As per your request, I have discussed the possibility of using C.M.H.C. land banking funds for the reacquisition of the above site. C.M.H.C. officials have indicated to me that they would consider it most unwise of the City to spend 70 per cent. of its land banking allocation to acquire less than three acres of land particularly with the availability of other sites throughout the City at much lower costs per square foot and in the light of very high densities which would have to be allowed on the site in order to make a housing development economic.

"I strongly concur in their position and could in no way recommend that that site be acquired for housing purposes at the cost being asked."

The Toronto Executive Committee recommends that the City not accept the letter from Messrs. Hughes, Amys, dated March 19, 1974, as being in compliance with the provisions of the Agreement with the City dated August 31, 1971, and that the Toronto Executive Committee be requested to further consider the matter.

Respectfully submitted,

DAVID CROMBIE (MAYOR),
Chairman.

COMMITTEE ROOM,
Toronto, April 19, 1974.